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**Date:** 4/15/2016

**GAIN Report Number:**

## South Africa - Republic of

**Post:** Pretoria

### Promoting rules based governance and Intra-Africa Trade

**Report Categories:**

Trade Policy Monitoring

Trip Report

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**Report Highlights:**

Tralac held its annual conference in Swakopmund, Namibia on April 7 – 8, 2016. The conference highlighted the importance and challenges for rules based governance, and growing Intra-Africa Trade. The success of increased regional integration and intra Africa trade could potentially reduce the transaction costs, barriers and time which could also be greatly beneficial in enabling trade beyond African countries, including the United States.

## **Background**

On April 7 – 8, 2016, Tralac held its annual conference in Swakopmund, Namibia. Tralac is a recognized and independent South African based capacity building organization, whose focus is to develop trade law and policy related capacity in East and Southern Africa. The theme of the conference was “Towards Rules-based Governance in African Trade and Integration”. The following issues were discussed during the conference:

- Why African Trade and Integration efforts benefit from rules-based Governance;
- Safeguards and Trade Remedies; Standards;
- Connecting Africa for competitiveness;
- Private litigation, dispute resolution and community law developments.

## **Conference highlights**

The Tralac Conference was a major networking opportunity with about 85 participants who are involved in trade policy formation and implementation from the diplomatic community and from about fifteen African countries. Organizations such as the Common Market for Eastern and Southern Africa (COMESA); Southern African Development Community (SADC) and World Trade Organization (WTO) were also represented at the conference.

Post supports efforts to increase Intra-Africa trade and the adoption of rules based governance as this would not only grow the African economies but would be greatly beneficial in enabling trade beyond African countries, including the United States. The success of increased regional integration and intra Africa trade could potentially reduce the transaction costs, barriers and time when trading with African countries. As a result, Post encourages platforms such as the Tralac Conference that present ongoing debates on these issues, as well as positively views the intention or developments relating to the 26 Country Tripartite Free Trade Area (TFTA); 54 Country Continental Free Trade Area (CFTA) and all the other regional economic communities. However, the conference confirmed that there still exist widely known challenges that could impact the success of these agreements and efforts, namely, the absence of effective dispute settlement regimes; inconsistent implementation of the agreed rules and agreements; limited policy, legal and institutional capacity for compliance with standards and agreements; poor governance; and infrastructure challenges in some African countries. The Conference also highlighted the importance of involving and consulting the private sector in developing trade policies and agreements, as they are the ultimate users of these outcomes.

Discussions at the conference seem to indicate that it is still a long road to the finalization of the Continental Free Trade Area and member states were encouraged to actively participate and if possible influence its representatives to carefully consider the implications and alignments of the CFTA to their existing trade agreements and arrangements.

The CFTA presents significant potential implications to African economies, and post will continue to support and encourage the region to continuously focus their efforts in developing scientific and rules based governance, regulations and policies through capacity development programs such as the Cochran and Borlaug Programs. The exact nature and implication of the CFTA to the United States are still not certain, and post will continue to monitor these developments as well as other trade related arrangements that could potentially impact the United States agriculture.